

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff, 12 Civ. 6421 (KMK)

v.

**EDWARD BRONSON, E-LIONHEART
ASSOCIATES, LLC, d/b/a FAIRHILLS CAPITAL**

Defendants

and

FAIRHILLS CAPITAL, INC.

Relief Defendant.

~~PROPOSED~~ ORDER

WHEREAS the Court entered an Amended Judgment against Defendant Edward Bronson (“Bronson”) and Defendant E-Lionheart on August 28, 2017 (“Judgment”);

WHEREAS the Court held Bronson in civil contempt for failing to pay the Judgment on January 19, 2021;

WHEREAS Bronson has agreed to cure his contempt by paying the Judgment in full pursuant to a payment plan;

IT IS HEREBY ORDERED that Bronson pay the Judgment pursuant to the following payment plan. Bronson will pay:

- (i) \$1.1 million dollars by August 13, 2021 credited first to the penalties and post-judgment interest thereon owed by Bronson and E-Lionheart as set forth in the Judgment. Prior to making the payment, counsel for Bronson shall contact the

Commission and obtain the payoff figures for both penalties, and then pay the full balance owed thereon directly to the Commission as set forth below. Any amount remaining from the \$1.1 million payment following the payment of the penalties shall be paid directly to the Court's Registry Investment System account (hereinafter "CRIS account") established for this action as set forth below. Those funds shall be credited to the prejudgment interest and disgorgement ordered to be paid in the Judgment;

- (ii) Following the initial payment on or before August 13, 2021, ten (10) installments of \$1.1 million dollars per month are due on the 13th of each month: September 13, 2021, October 13, 2021, November 13, 2021, December 13, 2021, January 13, 2022, February 13, 2022, March 13, 2022, April 13, 2022, May 13, 2022 and June 13, 2022; and
- (iii) a final payment including the balance of prejudgment interest and disgorgement and all post-judgment interest (which shall continue to accrue until payment is made in full) on July 13, 2022. Prior to the due date of this payment, counsel for Bronson shall contact the Commission to obtain the proper payoff amount due.

IT IS FURTHER ORDERED that upon joint motion by the parties, the Court shall appoint a liquidator to whom neither party objects to sell securities in the Top Knot Inc. USA brokerage account held at UMB –168.1 (and any other account that Bronson designates) to facilitate the satisfaction of any portion of the Judgment and payments ordered herein;

IT IS FURTHER ORDERED that Bronson is solely responsible for making each payment set forth above in full regardless of the value of any brokerage account, any delay by the court-appointed liquidator, including a delay in designating a court-appointed liquidator, or

any other issue that arises;

IT IS FURTHER ORDERED that if Bronson fails to make any payment in full by the due date, Bronson will immediately inform the Court and the Commission and the Court shall hold a hearing on the defaulted payment plan as soon as possible to determine appropriate sanctions;

IT IS FURTHER ORDERED that Bronson will pay the penalties due to the Securities and Exchange Commission (“Commission”) by any of the following means: Payment may be made electronically to the Commission, which will provide detailed ACH transfer/Fedwire instructions upon request. Payment may also be made directly from a bank account via Pay.gov through the SEC website at <https://www.sec.gov/paymentoptions>. Bronson may also pay by certified check, bank cashier’s check, or United States postal money order, made payable to the Securities and Exchange Commission and setting forth the title and civil action number of this action and the name of this Court; and specifying that payment is made pursuant to this Judgment. The funds may be hand-delivered or mailed to:

Enterprise Services Center
Accounts Receivable Branch
HQ Bldg., Room 181, AMZ-341
6500 South MacArthur Boulevard
Oklahoma City, OK 73169

Payments must be accompanied by a cover letter identifying Bronson as the Defendant in this action, and the name of this Court and the docket number of this action and shall be credited on the date received by the Commission.

IT IS FURTHER ORDERED that Bronson must file proof of all payments on ECF.

IT IS FURTHER ORDERED that the Clerk of Court is hereby directed to establish a CRIS account for the payments of disgorgement, prejudgment interest and postjudgment interest

thereon to be made pursuant to the payment plan in this action to be held until further Order of the Court, except as set forth below. Payments to the CRIS account shall be made by certified check, bank cashier's check, or United States postal money order, made payable to The Clerk of the Court for the Southern District of New York and sent to the following address: 500 Pearl Street, Room 260, New York, New York 10007. Reference to the case number, 12-cv-6421-KMK shall be included with each payment.

IT IS FURTHER ORDERED that provided there is no pending litigation in the Court at the time the final payment on July 13, 2022 is made, the funds in the CRIS account shall be turned over to the Commission without further order of the Court.

Dated: White Plains, New York
July 9, 2021


UNITED STATES DISTRICT JUDGE